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CAUSE NO: 779 OF 2000

IN THE GRAND COURT OF THE CAYMAN ISLANDS
IN THE MATTER OF THE REGISTERED LAND LAW (1995 REVISION)
AND IN THE MATTER OF BREAKERS, BLOCK 56C, PARCEL 65
BETWEEN:

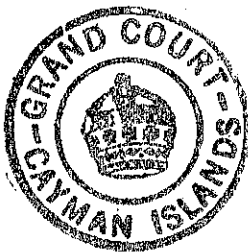
THE CAYMAN ISLANDS CIVIL SERVICE ASSOCIATION
CO-OPERATIVE CREDIT UNION LTD

PLAINTIFF

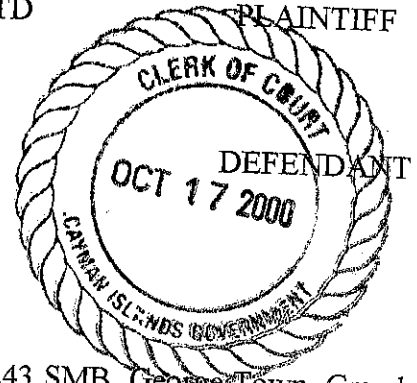
AND

HILDEGARDE SMITH

DEFENDANT



ORIGINATING SUMMONS



TO: Hildegarde Smith whose address for service is PO Box 31243 SMB, George Town, Grand Cayman.

LET THE DEFENDANT, Hildegarde Smith within 14 days after service of this Summons on her, counting the day of service, return the accompanying Acknowledgement of Service to the Courts Office, PO Box 495 GT, George Town, Grand Cayman.

BY THIS SUMMONS which is issued on the application of the Plaintiff, The Cayman Islands Civil Service Association Co-operative Credit Union Ltd, the Plaintiff seeks relief pursuant to the Registered Land Law (1995 Revision).

1. On 6th March 1996 the Defendant applied to the Plaintiff for a loan in the sum of CI\$20,486.47. The loan was to be repaid by 54 monthly repayments of CI\$453.43 and was to be secured by a first Legal Charge on the land registered at the Lands & Survey Department as Breakers, Block 56C, Parcel 65 ("the Property").
2. On 12th March 1996 the Plaintiff as Chargee and the Defendant as Chargor executed a Legal Charge ("the Charge") in respect of the Property.
3. The Charge provided that:
 - 3.1 The Plaintiff would lend and the Defendant would borrow the principal sum of CI\$20,486.47 ("the Principal Sum").

- 3.2 Interest on the Principal Sum would accrue at the rate of 1% per month on the reducing balance.
4. In 1997 the Plaintiff and the Defendant agreed to vary the Charge in terms that the Principal Sum would be increased by CI\$4,943.59 to CI\$25,430.06 and that the varied Principal Sum would be repaid by 48 monthly instalments of CI\$670.40.
 5. On 29th October 1997 the Plaintiff as Chargee and the Defendant as Chargor executed a Variation of Charge accordingly.
 6. On 29th June 1998 the Plaintiff and the Defendant again agreed to vary the Charge in terms that the Principal Sum would be increased by CI\$2,240.66 to CI\$27,670.72 and that the varied Principal Sum would be repaid by 60 monthly instalments of CI\$694.85.
 7. In or about August 1998 and since that time the Defendant has failed to pay the monthly instalments due in respect of the Principal Sum and interest.
 8. By a letter dated 7th April 2000 and handed to the Defendant on 17th April 2000 Messrs Ritch & Conolly as Attorneys for the Defendant served Notice on the Defendant pursuant to Section 64 (2) of the Registered Land Law (1995 Revision) demanding payment of the balance of the Principal Sum and accrued interest which as at 21st March 2000 was CI\$22,237.50.
 9. The Defendant has failed to pay the balance due of the Principal Sum and accrued interest.
 10. The provisions of the Registered Land Law (1995 Revision) provide that once a Notice of Demand has been served pursuant to Section 64 (2) the total amount outstanding of principal and interest becomes due and payable three months after service of that Notice. The Plaintiff avers that the letter dated 7th April 2000 and served on the Defendant on 17th April 2000 constitutes such notice pursuant to Section 64 (2).
 11. The provisions of the Registered Land Law (1995 Revision) also provide that a Chargee will then acquire a power to sell the property in question by public auction after three months have elapsed after service on the Chargor of a second Notice demanding payment. Such provisions are subject to an approval of the Court to the variation of such requirements and the Court may give leave to waive the need to serve a second Notice and give leave to allow the Chargee to sell by either private sale or public auction.
 12. The relief the Plaintiff seeks in these proceedings is an Order of the Court that:-
 - 12.1 Variations in the Charge to the provisions of the Registered Land Law (1995 Revision) be allowed so that the Plaintiff is not required to serve on the Defendant a further Notice to pay the money owing or to perform and observe the provisions of the Charge.
 - 12.2 The Plaintiff be entitled to sell the Property forthwith.

12.3 Such sale to be either by private treaty or public auction, in good faith and having good regard to the interest of the Defendant.

Dated the 17th day of October 2000


Ritch & Conolly

If the Defendant does not acknowledge service, judgment may be given or made against her or in relation to her as the Court may think just and expedient.

NOTE – This Summons may not be served later than four calendar months (or if Leave is required to effect service out of the jurisdiction, six months) beginning with that date unless renewed by order of the Court.

IMPORTANT

Directions for Acknowledgement of Service are given with the accompanying form.

This Originating Summons was issued by Messrs Ritch & Conolly as Attorneys at Law for the Plaintiffs and whose address for service is PO Box 1994 GT, Queensgate House, 113 South Church Street, Grand Cayman, B.W.I.